

### ABSTRACT OF THE DISCLOSURE

The present invention provides a recess within an expandable downhole tubular, such as an expandable sand screen. The recess resides within the wall, such as the outer shroud of an expandable sand screen. The recess serves as a housing for instrumentation lines, fiber optics, control lines, or downhole instrumentation. By placing the lines and instrumentation within a wall of the expandable downhole tool, the tool can be expanded into the wall of the wellbore without leaving a channel outside of the tool through which formation fluids might vertically migrate. The recess is useful in both cased hole and open hole completions. In one embodiment, the recess serves as a housing for an encapsulation which itself may house instrumentation lines, control lines, and downhole instrumentation.

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